

Message Text

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14

ORIGIN OPIC-12

INFO OCT-01 ARA-16 ISO-00 EB-11 /040 R

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DRAFTED BY: PETER R. GILBERT, OPIC/GC

11/29/73 21766

APPROVED BY: EB/IFD/OIA:MKENNEDY

CLEARANCES: EB/IFD/OIA:WHCOURTNEY(INFO)

ARA/LA:HSHLAUDEMAN (INFO)

JOHN HENNESSY/TREASURY DEPT. INFO)

EB/IFD/OIA:FWMAERKLE

ARA/BC/C:AISAACS

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R 302250Z NOV 73

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

UNCLAS STATE 235599

E.O. 11652:N/A

TAGS: E: FIN

SUBJECT: PARSONS & WHITEMORE STATUS REPORT

FOLLOWING INFORMATION SUPPLIED BY OPIC TO BRING EMBASSY
UP TO DATE ON SUBJECT CASE.

PARSONS & WHITEMORE SOLD ITS 20 PERCENT EQUITY INTEREST IN
ARAUCO TO THE GOC FOR \$6.7 MILLION ON APRIL 14, 1972.
INTEREST WAS CAPITALIZED AND CORFO NOTES FOR THE ENTIRE AMOUNT
ARE DUE OVER A PERIOD OF UP TO FOURTEEN YEARS.

3. P&W HAD OPIC COVERAGE OF \$5 MILLION. OPIC OFFERED TO HELP
FACILITATE THE BUYOUT OF P&W EITHER (A) BY CONTINUING INSURANCE
COVERAGE IN AN AMOUNT OF THE DEFERRED PAYOUT EQUAL P&W'S
NET INVESTMENT IN ARAUCO OR (B) BY FULLY GUARANTYING A LESSER
AMOUNT OF THE CORFO NOTES.

4. P&W CHOSE THE LATTER AND OPIC GUARANTIED \$3.2 MILLION
OF THE TOTAL PURCHASE PRICE. SO FAR THE GOC HAS PAID P&W \$600,000
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IN ACCORDANCE WITH THE TERMS OF THE PURCHASE, AND OPIC'S

CONTINGENT LIABILITY UNDER IT GUARANTY HAS BEEN REDUCED BY THAT
AMOUNT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
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Concepts: GOVERNMENT PROCUREMENT, INVESTMENT GUARANTEES, INDUSTRIAL INVESTMENTS, LOAN INSURANCE
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Draft Date: 30 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
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Review Content Flags:
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30 JUN 2005

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